New Iberia, Louisiana

Financial Report

Year Ended June 30, 2007

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 4-2-08

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MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

The following discussion and analysis of Iberia Parish Voluntary Council on Aging's financial performance provides an overview of the Council's financial activities for the year ended June 30, 2007. Please read it in conjunction with the financial statements, which begin on page 10.

FINANCIAL HIGHLIGHTS

The Council showed a net increase in overall net assets of \$27,552 or 11% this year.

No deficit fund balances exist at year end.

Net capital assets of the Council increased by \$7,038 or 50% which is attributable to the purchase of an air conditioner unit and office furniture totaling \$11,417 offset by current depreciation of \$4,380.

The unreserved, undesignated fund balance for the Council's General Fund was \$201,739 at year-end, which is a \$34,378 increase from the prior year.

Revenues totaled \$684,993 for the fiscal year ended June 30, 2007, which is a decrease of \$37,673 or 5% from prior year while expenditures totaled \$665,610 during the year, an increase of \$10,992 or 2%.

HOW TO USE THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities (on pages 10 through 12) provide information about the activities of the Council as a whole and present a longer-term view of the Council's finances. Fund financial statements begin on page 14. For governmental activities, these statements tell how services were financed in the short-term as well as what remains for future spending. Fund financial statements also report the Council's operations in more detail than the government-wide statements by providing information about the Council's most significant funds.

Our auditor has provided assurance in his independent auditor's report, located immediately after this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. The auditor is providing varying degrees of assurance about Supplementary Financial Information Required by GASB Statement 34 and Supplementary Financial Information Required by GOEA that follow later in this reporting package. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each part of the financial section of the report.

Reporting the Council as a Whole Using Government-Wide Statements

Our analysis of the Council as a whole begins on page 3. An important question to ask about the Council's finances is, "Is the Council as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities (referred to collectively as the Government-Wide Financial Statements) report information about the Council as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting method used by most private-sector companies. All current year revenues and expenses are taken into account regardless of when cash is received or paid.

The Government-Wide statements can be found on pages 10 to 12 and report the Council's net assets and changes in them. Some of the net assets are restricted which means they can only be used for a specific purpose. The Statement of Net Assets is designed to present the financial position of the Council as of year-end. Over time, increases or decreases in the Council's net assets are one indicator of whether its

financial position is improving or deteriorating. However, to assess the overall financial position of the Council, you will need to consider other nonfinancial factors, such as the condition of the Council's capital assets and facilities, the addition or termination of grants and other revenue sources, and the expansion or contraction of programs and services.

The Statement of Activities provides information that shows how the Council's net assets changed as a result of this year's activities. All of the Council's significant activities are reported in the Statement of Activities. These activities include an Administration function and a Health, Welfare, and Social Services function. The Health, Welfare, and Social Services function is comprised of various programs that include various supportive social services, nutritional services, utility assistance, and disease prevention and health promotion. All activities of the Council are considered to be governmental activities. A governmental activity is one where the Council uses money it receives from government grants and contracts, along with donations from the general public, to pay for the services it provides to the general public, or a segment of the general public, such as the elderly. In other words, the people benefiting from the services are not required to pay for what they receive. If the Council charged fees to cover all or most of the cost of providing a service, that activity would be classified as a business-type activity. The Council does not have any business-type activities. However, the Council does charge a small monthly fee to people who rent Medic Alert units and a fee for persons under 60 years old to ride the Council's vans. We do not view the fees we charge for these activities as a business-type activity because we do not intend to make a profit or recover the full cost of providing the service.

Reporting the Council's Most Significant Funds Using Fund Financial Statements

Our analysis of the Council's major funds begins on page 4. The Fund Financial Statements can be found on pages 14 to 16 and provide detailed information about the most significant funds - not the Council as a whole. In the Fund Financial Statements you will see a General Fund and a variety of Special Revenue Funds. The General Fund is used to account for all financial resources except those that are required to be accounted for in another fund. The Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes. By using separate funds to track revenues and expenditures, we can control and manage funds for particular purposes or we can show that the fund is meeting legal responsibilities for using certain grants and other money.

The General Fund and Special Revenue Funds are considered governmental funds. Governmental funds focus on how money flows into and out of funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called the modified accrual accounting, which measures cash and all other financial assets that can be readily converted to cash. The governmental fund statements provide a detailed short-term view of the Council's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Council's programs. We have presented the difference between the net assets of governmental activities and the fund balances of the governmental funds in a reconciliation at the bottom of the Balance Sheet for Governmental Funds. In addition, the difference between the change in net assets for the governmental funds and the change in net assets for the governmental activities has been presented in a reconciliation on a separate page that follows the Statement of Revenues, Expenditures, and Changes in Fund Balances for the Governmental Funds.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 17 to 31. You should read the notes before making assumptions or drawing conclusions about the Council's financial condition.

Supplementary Financial Information Required by GASB Statement 34

The Governmental Accounting Standards Board (GASB) Statement 34 requires budgetary comparison schedules for the General Fund and each major Special Revenue Fund that has a legally adopted annual budget. The schedules compare the original and final appropriated budgets to actual budget results for the Council's fiscal year. We have also opted to present positive and negative variances between the final budget and actual amounts.

Major funds are those funds whose revenues, expenditures, assets, or liabilities are at least 10% of corresponding totals for all governmental funds. In addition, a major fund could be a fund that does not meet these criteria but which we believe is important to present for the Council's financial statement users.

Management's Discussion and Analysis is also required supplementary information (RSI) by GASB Statement 34. However, it is presented as the first item in this reporting package and not with the other RSI by GASB Statement 34.

Other Supplementary Financial Information Required by GOEA

The Council has also presented other required supplemental information in this report package.

The Governor's Office of Elderly Affairs (GOEA) has required the Council to present as schedules the information on pages 40 and 41. This information will be used by GOEA to verify the accuracy of information the Council submitted to it during the year and to help GOEA monitor certain compliance requirements set forth in the grants that it has with the Council.

AN ANALYSIS OF THE COUNCIL AS A WHOLE USING GOVERNMENT-WIDE FINANCIAL STATEMENTS

The following table reflects condensed information on the Council's net assets:

	2007	2006
Current and other assets	\$ 286,013	\$ 241,690
Capital Assets, net of depreciation	<u>21,122</u>	14,084
Total Assets	307,135	255,774
Compensated absences	1,230	1,051
Other current liabilities	<u> 25,550</u>	1,920
Total Liabilities	26,780	2,971
Invested in capital assets, net of related debt	21,122	12,774
Restricted	52,973	66,928
Unrestricted	_ 206,2 <u>60</u>	173,101
Total Net Assets	\$ 280,355	\$ 252.803

As of June 30, 2007, the Council "as a whole" had total assets exceeding total liabilities by \$280,355.

The Council's unrestricted net assets increased by \$33,159 or 19% over the year. This illustrates that the Council is improving its financial position. About 74% of the Council's net assets are unrestricted at June 30, 2007. It is important that the Council have unrestricted net assets so that we will have resources available to adapt to changes in the economy, emergencies, unexpected needs, and reductions in or termination of grant revenues by government agencies.

The Council's restricted net assets decreased by \$13,955 or 21%. Net assets are reported as restricted when the constraints placed upon the assets use are either (a) externally imposed by a grantor, contributor, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The Council has 8% of net assets invested in capital assets.

The net assets that have been invested in capital assets are presented net of any related outstanding debt incurred to acquire them. Currently, a copy machine is the only capital asset that has related debt associated with it.

The liability for compensated absences has not changed very much during the year. This liability represents what the Council owes its employees as of year-end for unused vacation leave. If employee vacation patterns are similar from year to year and if the number of employees remains about the same, then the amount owed at year-end will not change very much from year to year. This liability could adversely affect the Council's financial position if we were to have to lay off a significant portion of our workforce. This event would trigger the immediate payment of unused vacation to the terminated employees resulting in the Council having to use unrestricted net assets to make the payments.

The following table reflects condensed information on the Council's change in net assets:

	2007	2006
Revenues		
Program Revenues	\$ 516,901	\$ 606,752
General Revenues	<u> 168,093</u>	<u>115,914</u>
Total Revenues	<u>684,994</u>	<u>722,666</u>
Direct Program Expenses of the Health,		
Welfare, and Social Services Function		
Supportative Services	54,022	51,695
Nutrition Services	100,221	102,599
Utility Assistance	6,888	6,075
Disease prevention and health promotion	2,842	3,427
National family caregiver support	62,289	79,776
Senior center - recreation	64,940	32,983
Mobile Adult Day Care	52,201	50,294
United Way	-	13,695
Retired Senior Volunteer Program	67,455	65,207
Direct administrative expenses	<u>246,584</u>	243,429
Total expenses	657,442	649,180
	<u>\$ 27.552</u>	<u>\$ 73.486</u>

The Council's total revenues decreased by \$37,672 or 5% from last year. The majority of the decrease is due to a reduction in revenues received from CAAA for the Title III B, Title III C-1, and Title III C-2 Programs. Total expenses increased by \$8,262 or 1% from last year. The majority of the increase is due to the additional expenses related to the Title III C-1 and Title III C-2 Programs.

AN ANALYSIS OF GOVERNMENTAL ACTIVITIES

Most of the Council's activities are funded by federal, state, and local grants. These grants amount to approximately 74% and 71% of revenues in 2007 and 2006, respectively. Some of these grants are restricted which means that the money can only be used for certain programs. The amount of funds available from most of the grants remains rather constant from year to year, however, some grant amounts may change based upon the level of service provided by the Council under the terms of the particular grant award.

The Council also receives donations from its clients and the general public. These revenues help to lessen the financial burden on the Council and allow it to maintain and expand services. Public support revenues represented 14% of total revenues for 2007 and 2006, respectively.

The Council invests idle funds and is able to earn some interest on this money each year. The investment earnings are used or accumulated as necessary to meet expenses each year.

When reviewing the Government-Wide Statement of Activities, there are relationships that are important to the understanding of the Council's operations. The Council's largest activities are related to transportation and nutrition services. The Council's main focus is to meet the needs of the elderly citizens of Iberia Parish. There is a high demand for these services; therefore, resources are channeled to meeting the demand.

You will also note that most of the governmental activities have more expenses than revenues. We expect this situation to occur and have prepared the Council's budgets for these activities with this in mind. Traditionally, general revenues are used to cover the excess of expenses over revenues in these activities.

Another indication of how we are using money efficiently can by analyzed by comparing the amount of administration costs from year to year as well as calculating the percentage administration expenses bears in relation to total expenses. For 2007, total administrative expenses were \$246,584 or 38% of total expenses. In comparison, total administration expenses for last year were \$243,429 or 37%. The amounts are comparable from year to year.

You will also note that some of the governmental funds have revenues greater than expenses for the year. Depending on the number of units provided, the types of costs charged to this program, and the amount of grant funds available to use in these programs, it is possible that some money earned under this grant may not be needed this year to help pay for of the program's costs. Any unused grant funds are recorded as restricted net assets and will be available for use next year if necessary.

AN ANALYSIS OF THE COUNCIL'S FUNDS USING GOVERNMENTAL FUND FINANCIAL STATEMENTS

Fund Balances

The Council showed a combined governmental fund balance of \$260,463 (as shown on the Fund Financial Statement's balance sheet at page 14) at the end of this year, which is an increase of \$19,383 from last year. When you look at the funds individually you will see that the increase in the total fund balance is due, primarily, to the increase in the General Fund.

The primary reason for the increase in the General Fund's fund balance is that the General Fund transferred less funds than in the previous year to cover the deficits of some of the Special Revenue Funds which indicates that those programs are operating more efficiently than in the past and, therefore, do not need to be supplemented by the General Fund as much.

Revenues

The combined fund revenues decreased \$37,673 this year versus last year, or 5%. The primary reason for the decrease is attributable to revenues received this year from CAAA for the Title III B, Title III C-1, and Title C-2 Programs because of the decrease in clients served from the previous year.

Expenditures

Total expenditures increased by \$8,262 this year, or 1%. Again, the increase can be explained by the increase in clients served relating to the Title III C-1 and Title III C-2 programs during the year.

AN ANALYSIS OF THE GENERAL FUND BUDGET

You can find schedules of the original and amended budget for the General Fund in the Supplementary Financial Information Required by GASB Statement 34 section of this report on page 34. When you review the budget versus actual schedule, you will note that the favorable and unfavorable variances are not very large except for the Transfers Out which shows an unfavorable variance of \$27,767. This is a result of the General Fund having to supplement the other funds operations more than originally anticipated.

AN ANALYSIS OF CAPITAL ASSET AND DEBT ADMINISTRATION

At the end of the year, the Council had \$21,122 in fixed assets net of accumulated depreciation. The Council had additions in the amount of \$11,417 and dispositions of \$2,945 to fixed assets during the fiscal year end June 30, 2007. More detailed information can be found about the Council's capital assets in Note 1 and Note 5 to the financial statements.

The only long term debt the Council has related to its capital assets is a capital lease payable related to a copy machine. This is a five year note and is scheduled to be paid off during fiscal year ending June 30, 2007.

We have already discussed the nature and effects of the compensated absence liability.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The Council receives most of its funding from federal and state agencies. Because of this, the source of income for the Council is rather steady. However, some of the Council's grants and contracts are contingent upon the level of service provided by the Council, and therefore, revenues may vary from year to year. In setting its budget for fiscal year 2008, it was important that we deliver at least the same level of service to our clients and the public as we did in 2007. All of the Council's grants and contracts from the usual federal and state agencies have been approved for FY 2008. There have been no significant changes to the funding levels or terms of the grants and contracts. Accordingly, we have set our initial budget to provide the same programs and levels of service next year. GOEA has also approved the Council's budget for next year. There are no plans to add any significant programs for next year.

CONTACTING THE COUNCIL'S MANAGEMENT

Our financial report is designed to provide government agencies and the general public an overview of the Council's finances and to demonstrate accountability for the money that it receives. If you have any questions about this report or wish to ask for more information, you should contact Margaret Trahan, the Council's Executive Director, at the Council's main office located at 126 W. Washington St., New Iberia, LA, 70560, or by phone at 337-367-1556.

Danny P. Frederick, CPA



Darnall, Sikes, Gardes Frederick.

(A Corporation of Certified Public Accountants)

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Iberia Parish Voluntary Council on Aging, Inc.
New Iberia, Louisiana

Clayton E. Darnall, CPA, CVA
Eugene H. Darnall, III, CPA
Stephanie M. Higginbotham, CPA
John P. Armato, CPA
J. Stephen Gardes, CPA, CVA
Jennifer S. Ziegler, CPA/PFS, CFP^M
Chris A. Miller, CPA, CVA
Stephen R. Dischler, MBA, CPA
Steven G. Moosa, CPA
M. Rebecca Gardes, CPA
Pamela Mayeux Bonin, CPA, CVA
Joan B. Moody, CPA
Erich G. Loewer, III, CPA, M.S. TAX
Lauren F. Hebert, CPA
Barbara Ann Watts, CPA

Kathleen T. Darnall, CPA Barbara A. Clark, CPA Michelle B. Hanks, CPA Jeremy C. Meaux, CPA Kevin S. Young, CPA Barbara Ann Watts, CPA Adam J. Curry, CPA Chad M. Bailey, CPA Carol C. Guillory, CPA Christy S. Dew, CPA Emily J. LeBoeuf, CPA Rachel W. Ashford, CPA Dustin R. Buck, CPA Veronica LeBleu, CPA Jacob C. Roberie, CPA Tara E. LeBoeuf, CPA

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Iberia Parish Voluntary Council on Aging, Inc., as of and for the year ended June 30, 2007, which collectively comprise the Council's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Council's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Iberia Parish Voluntary Council on Aging, Inc., as of June 30, 2007, and the respective changes in financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued a report dated October 19, 2007, on our consideration of the Iberia Parish Voluntary Council on Aging, Inc.'s internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. The report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

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203 S. Jefferson Street Abbeville, LA 70510 Phone. 337.893.5470 Fax: 337.893 5470 Member of: American Institute of Certified Public Accountants Society of Louisiana Certified Public Accountants www.dsfcnas.com The management's discussion and analysis and budgetary comparison information on pages 1 through 6 and 33 through 38, are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming an opinion on the basic financial statements of the Iberia Parish Voluntary Council on Aging, Inc. taken as a whole. The schedule of nonmajor funds and comparative schedule of general fixed assets on pages 40 and 41 are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Iberia Parish Voluntary Council on Aging, Inc. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Darnall, Sikes, Gardes & Frederick

A Corporation of Certified Public Accountants

Lafayette, Louisiana October 19, 2007 GOVERNMENT WIDE FINANCIAL STATEMENTS

Government Wide Statement of Net Assets June 30, 2007

	Governmental Activities				
ASSETS					
Cash	\$ 239,346				
Grants and contracts receivable	40,084				
Prepaid expenses	6,583				
Capital assets, net of accumulated depreciation	21,122				
Total Assets	307,135				
LIABILITIES					
Accounts payable and related benefits payable	25,550				
Accrued compensated absences	1,230				
Total Liabilities	26,780				
NET ASSETS					
Invested in Capital Assets, net of debt	21,122				
Restricted for:	-				
Utility Assistance	7,303				
Prepaid expenses	6,583				
Miles for meals	20,396				
Title III E	18,691				
Unrestricted	206,260				
Total Net Assets	\$ 280.355				

The accompanying notes are in integral part of this statement.

Government Wide Statement of Activities Year Ended June 30, 2007

	Direct Expenses	Indirect Expenses
Function/Programs		
Governmental Activities		
Health, Welfare & Social Services:		
Supportive Services:		
Education and training	\$ 9	6 \$ 71
Homemaker	13,43	1 9,934
Information and assistance	9,61	8 7,114
Outreach	1,65	2 1,222
Visiting	4,84	1 3,581
Transportation	24,38	4 18,035
Nutrition Services:		
Congregate Meals	31,37	5 22,242
Home delivered meals	68,84	6 49,477
Utility Assistance	6,88	8 -
Disease prevention and health promotion	2,84	2 1,981
National family caregiver support:		
Personal care	20,75	4 15,534
In home - respite	29,00	•
Group respite	12,02	
Information and assistance	50	2 376
Senior activities	64,94	0 27,202
Mobile Adult Day Care	52,20	1 35,536
Retired Senior Volunteer Program	67,45	-
Administration	246,58	(223,016)
Total governmental activities	<u>\$ 657,44</u>	<u>2</u> <u>\$</u> -

Net (Expense)
Revenue and
Increases
(Decreases) in Net
Assets

	Program Revenues						Assets			
Charg		Operating Grants Capital Grants and			Total (Governmental				
Serv	rices	and Contributions Contributions		ributions	A	ctivities				
\$	2,473	\$	6,722	\$	~	\$	(167)			
	2,473		16,907		~		(14,170) 175			
	_		10,507		_		(2,874)			
	•		9,137		_		715			
	-		42,312		-		(107)			
	22,139		20,842		-		(10,636)			
	29,344		69,227		~		(19,752)			
	-		9,808		_		2,920			
	-		4,806		-		(17)			
	-		31,559		•		(4,729)			
	-		49,949		-		(770)			
	-		18,830				(2,195)			
	-		21		-		(857)			
	12,102		- 90.740		-		(92,142)			
	12,102		80,740 66,415		~		5,105			
	_		23,568		-		(1,040)			
\$	66.058	\$	450,843	\$			(140,541)			
General R	evenues						-			
		outions not	restricted t	o specific r	rograme		130,698			
				o specific p	nogr a ms		2,758			
	Unrestricted Investment Income Miscellaneous						34,637			
		revenues ar	nd special in	ems			168,093			
	n net assets		-F				27,552			
		g of the ye	ar				252,803			
	- end of th					<u>\$</u>	280.355			
		•								

The accompanying notes are in integral part of this statement.

FUND FINANCIAL STATEMENTS

Balance Sheet Governmental Funds June 30, 2007

	General Fund	Title III I	-	Tit			tle I E	A	bile lult Care	R	SVP		Major nds	Total
ASSETS														
Cash	\$ 233,045	\$	-	\$	-	\$	-	\$	-	\$	6,301	\$	-	\$ 239,346
Grants and contract receivables	40,084		-		-		-	`	-		-		-	40,084
Prepaid expenditures	6,583		- =		=		<u> </u>							6,583
Total Assets	279,712			_	<u> </u>	_			-		6,301	_		286,013
LIABILITIES AND FUND BALANCE	ES													
LIABILITIES														
Accounts payable and related														
benefits payable	25,000		<u>-</u>				_ -		<u></u> :		550			<u>25,550</u>
Total Liabilities	25,000	-	<u>-</u>		<u>-</u>				<u></u>		<u>550</u>	·	:	25,550
FUND BALANCES														
Reserved	52,973		-		-		_		-		_		-	52,973
Unreserved/Undesignated:	-				,									•
General Fund	201,739		-		-		_		-		-		_	201,739
Special Revenue Fund	_		_=						-		5,751			5,751
Total Fund Balances	254,712				_ _					;	5,751			260,463
Total Liabilities and Fund Balances	<u>\$ 279,712</u>	<u>\$</u>	_	<u>\$</u>	<u> </u>	<u>\$</u>	<u>_</u>	<u>\$</u>		\$	<u>6,301</u>	<u>\$</u>		
Amounts reported for governmental activ										,				
 Compensated absences are not paid f in the funds 	or out of curre	nt tinan	icial	resour	ces ar	id ther	efore a	ire not	reporte	ed				(1,230)
 Capital assets used in governmental a in the funds 	activities are no	ot finan	cial i	resoure	ces ar	d there	efore a	re not	reporte	d				21,122
Net assets of governmental activit	ies													<u>\$ 280,355</u>

Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds Year Ended June 30, 2007

	General Fund	Title III-B	Title III C-2	Title III-E	Mobile Adult Day Care	RSVP	Non-Major Funds	Total Governmental Funds
REVENUES								
Intergovernmental:								
Governor's Office of Elderly Affairs	\$ 46,925	\$ -	S -	s -	\$ 80,740	\$ 9,264	\$ 66,110	\$ 203,039
Cajun Area Agency on Aging, Inc.	,,,	75,078	69,227	85,756	• • • • • • • • • • • • • • • • • • • •	,	25,648	255,709
RSVP	_	75,070	07,227	05,750	_	47,161	25,015	47,161
	•	_	_	_		47,101		77,101
Program Service Fees:	_	2,473			12,102			14,575
Transportation		4,473	20.244	-	12,102	•	-	
Home delivered meals	-	-	29,344	-	-	-	22 122	29,344
Congregate meals	-	•	-		-	=	22,139	22,139
Caregivers		-	-	14,603	-	-	•	14,603
Investment Income	2,758	•	-	-	-	89	-	2,847
Local and miscellaneous:								
Iberia Parish Council	11,827	-	-	-	•	-	-	11,827
United Way of Iberia	9,000	-	-	-	-	-	-	9,000
City of New Iberia	10,000	-	=	•	=	-	-	10,000
Donations	7,449	-	-	-	-	-	=	7,449
PMS Revenue	10,067	-	-	_	-	-	-	10,067
Utility Assistance	9,808	•	_	•	_	_	-	9,808
Senior Center Trips	1,115	_	-	_	-	_	-	1,115
Miles for meals	2,955	_	-	_		_	-	2,955
Fund raising	4,239	_	_	_	_	_	_	4,239
Miscellaneous	19,215	_	_	_	_	4,465	_	23,680
In-kind	19,213	-	-	-	_	5,436	-	5,436
	125.250	77.551	09.631	100.360	03.043		112 002	
Total Revenues	135,358	<u>77,551</u>	<u>98,571</u>	<u>100,359</u>	92,842	66,415	113,897	<u>684,993</u>
EXPENDITURES Health, Welfare, & Social Services Current:								
Personnel	543	57,834	76,429	83,267	49,671	51,414	84,628	403,786
Fringe	44	4,597	6,096	6,603	3,921	3,852	6,708	31,821
Travel	112	4,502	21,019	401	771	4,228	1,321	32,354
Operating Services	8,024	20,533	11,714	16,232	9,031	2,477	45,280	113,291
Operating Supplies	506	5,148	1,377	833	11,369	-	10,175	29,408
Other Costs	27,910	-	-	-	7,933	48	720	36,611
Capital Outlay	-	1,365	1,688	1,574	5,041	_	1,749	11,417
In-kind		-	_	_	· -	5,436		5,436
Debt Service -						-,		-,
Principal	1,310	-	_	_	_	_	_	1,310
Interest	176	_	_	_	_	-		176
Total Expenditures	38,625	93,979	118,323	108,910	87,737	67,455	150,581	665,610
2010. Zilpenana.		75(37)		100010	<u></u>	- 011122	130,001	
Excess (deficiency) of revenues over expenditures	96,733	(16,428)	(19,752)	<u>(8,551)</u>	<u>5,105</u>	(1,040)	(36,684)	19,383
OTHER FINANCING SOURCES (USI	ES)							
Transfers in	5,105	16,428	16,852	8,551	-	-	39,784	86,720
Transfers out	(78,515)		<u>-</u>	_	(5,105)		(3,100)	(86,720)
Total other financing sources and uses	(73,410)	16.428	16,852	8,551	(5,105)		36,684	
Net Increase (Decrease) in fund balances	23,323	-	(2,900)	-	-	(1,040)	٠ -	19,383
FUND BALANCES								
Beginning of the year	231,389	_	2,900	_		6,791		241,080
and the four								
End of the year	\$ 254,712	<u>s</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	\$ 5,751	<u>s -</u>	\$ 260,463

The accompanying notes are in integral part of this statement.

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities Year Ended June 30, 2007

Net Increase in fund balances - total governmental funds	\$ 19,383
Governmental funds report capital outlays as expenditures.	
However, in the statement of activities the cost of these assets	
is allocated over their estimated useful lives and reported as	
depreciation expense. This is the amount by which capital outlay	
(\$11,417) exceed depreciation (\$4,379) during the current year	7,038
Governmental funds report compensated absences as expenditures	
only when paid and therefore the amount paid in excess of the amount	
earned require the use of current financial resources and is reported	
as an expenditure in government funds	(179)
Governmental funds report principal payments on debt as expenditures.	
However, in the statement of activities these payments are recorded as a	
reduction in the note payable and not an expense	 1,310
Increase of net assets of governmental activities	\$ 27.552

NOTES TO FINANCIAL STATEMENTS

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Purpose of the Council on Aging

The purpose of the Council is to collect facts and statistics and make special studies of conditions pertaining to the employment, financial status, recreation, social adjustment, mental and physical health or other conditions affecting the welfare of the aging people in Iberia Parish; to keep abreast of the latest developments in these fields of activity throughout Louisiana and the United States; to interpret its findings to the citizens of the parish; to provide for a mutual exchange of ideas and information on the parish and state level; to conduct public meetings to make recommendations for needed improvements and additional resources; to promote the welfare of aging people when requested to do so; to coordinate and monitor services of other local agencies serving the aging people of the parish; and to assist and cooperate with the Governor's Office of Elderly Affairs (GOEA) other departments of state and local government serving the elderly; and to make recommendations relevant to the planning and delivery of services to the elderly of the parish.

Specific services provided by the Council to the elderly residents of Iberia Parish include providing congregate and home delivered meals, nutritional education, personal care, information and assistance, outreach, material aid, home repairs, utility assistance, homemakers, recreation, legal assistance, disease prevention, health promotion, and transportation.

B. Reporting Entity

In 1964, the State of Louisiana passed Act 456 authorizing the charter of a voluntary council on aging for the welfare of the aging people in each parish of Louisiana. However, before the council on aging can begin operations in a specific parish, its application for a charter must receive approval from the Governor's Office of Elderly Affairs pursuant to LA R.S. 46:1602. The functions of each council on aging in Louisiana must comply with the objectives of state laws and each council is governed by the policies and regulations established by GOEA.

The Iberia Parish Voluntary Council on Aging, Inc. is a legally separate, non-profit, quasi-public corporation. It received its charter and began operations on February 5, 1974.

A board of directors, consisting of 14 voluntary members, who serve three-year terms, governs the Council. The board of directors is comprised of, but not limited to, representatives of the Parish's elderly population, general public, private businesses, and elected public officials.

Membership in the Council is open at all times, without restriction, to all residents of Iberia Parish who have reached the age of majority and who express an interest in the Council and wish to contribute to or share in its programs. Membership fees are not charged.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Based on the criteria set forth in GASB Statement 14, the Iberia Parish Voluntary Council on Aging, Inc. is not a component unit of another primary government nor does it have any component units that are related to it. In addition, based on the criteria set forth in GASB Codification Section 2100, the Council has presented its financial statements as a primary government, because it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments. As used in GASB Statement 14, the term fiscally independent means that the Council may, without approval or consent of another governmental entity, determine or modify its own budget, levy its own taxes or set rates or charges, and issue bonded debt. As previously mentioned, GOEA establishes the policies and regulations that all councils must follow. Included in its policies is a provision that the Council's budget be approved by GOEA. However, this approval process is part of GOEA's general oversight responsibility for the Council and is more ministerial or compliance oriented than substantive.

Accordingly, the Council is viewed as being fiscally independent for purposes of applying the reporting entity criteria of GASB Statement 14.

C. Presentation of Statements

The Council's statements are prepared in accordance with accounting principles generally accepted (GAAP) in the United States of America as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989 (when applicable) that do not conflict with or contradict GASB pronouncements.

The Council has the option to apply FASB pronouncements issued after that date to its business-type activities and enterprise funds; however, the Council has chosen not to do so because it does not have any business-type activities or enterprise funds. The more significant accounting policies established in GAAP and used by the Council are discussed below.

D. Basic Financial Statements - Government-Wide Statements

The Council's basic financial statements include both Government-Wide (reporting the Council as a whole) and fund financial statements (reporting the Council's major funds). Both the Government-Wide and Fund Financial Statements categorize primary activities as either governmental or business type. The Council's functions and programs have been classified as governmental activities. The Council does not have any business-type activities, fiduciary funds, or any component units that are fiduciary in nature. Accordingly, the Government-Wide financial statements do not include any of these activities or funds.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In the Government-Wide Statement of Net Assets, the governmental type activities column (a) is presented on a consolidated basis by column, (b) and is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Council's net assets are reported in three parts - invested in capital assets, net of related debt; restricted net assets; and unrestricted net assets. Invested in capital assets, net of related debt consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those capital assets. Restricted net assets consist of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. Unrestricted net assets include all other net assets that do not meet the definition of "restricted" or "invested in capital assets, net of related debt."

Quite often unrestricted resources are available for use that must be consumed or they will have to be returned to GOEA. In such cases it is better for management to elect to apply and consume the unrestricted resources before using the restricted resources. As a result, the Council will depart from its usual policy of using restricted resources first.

The Government-Wide Statement of Activities reports both the gross and net cost of each of the Council's functions and significant programs. Many functions and programs are supported by general government revenues like intergovernmental revenues, and unrestricted investment income, particularly if the function or program has a net cost. The Statement of Activities begins by presenting gross direct and indirect expenses that include depreciation, and then reduces the expenses by related program revenues, such as operating and capital grants and contributions, to derive the net cost of each function or program. Program revenues must be directly associated with the function or program to be used to directly offset its cost. Operating grants include operating-specific and discretionary (either operating or capital) grants, while the capital grants column reflects capital-specific grants. The Council did not receive any capital-specific grants this year.

The Council allocates its indirect costs among various functions and programs in accordance with Circular A-87. The Statement of Activities shows this allocation in a separate column labeled "indirect cost allocation." In addition, GOEA provides grant funds to help the Council pay for a portion of its indirect costs. As a result, only the indirect costs in excess of the GOEA funds are allocated to the Council's other functions and programs.

The Government-Wide Statements focus upon the Council's ability to sustain operations and the change in its net assets resulting from the current year's activities.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Basic Financial Statements - Fund Financial Statements

The financial transactions of the Council are reported in individual funds in the Fund Financial Statements. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues, and expenditures. Resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The various funds are reported by generic classification within the financial statements.

The Council uses governmental fund types. The focus of the governmental funds' measurement (in the fund statements) is on determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than on net income. An additional emphasis is placed on major funds within the governmental fund types. A fund is considered major if it is the primary operating fund of the Council or if its total assets, liabilities, revenues, or expenditures are at least 10% of the corresponding total for all funds of that category or type.

Governmental fund equity is called the fund balance. Fund balance is further classified as reserved and unreserved, with unreserved being further split into designated and undesignated. Reserved means that the fund balance is not available for expenditure because resources have already been expended (but not consumed), or a legal restriction has been placed on certain assets that makes them only available to meet future obligations. Designated fund balances result when management tentatively sets aside or earmarks certain resources to expend in a designated manner. In contrast to reserved fund balances, designated amounts can be changed at the discretion of management.

The following is a description of the governmental funds of the Council:

The General Fund is the general operating fund of the Council. It is used to account for all financial resources except those required to be accounted for in another fund.

Included in the General Fund is the PCOA program. The following is a brief description of this program:

PCOA (Act 735) funds are appropriated for the Governor's Office of Elderly Affairs by the Louisiana Legislature for remittance to the Council. The Council may use the "Act 735" funds at its discretion provided the program is benefiting people who are at least 60 years old.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes. A large percentage of the Council's special revenue funds are Title III funds. These funds are provided by the United States Department of Health and Human Services - Administration on Aging to the Governor's Office of Elderly Affairs, which in turn "passes through" the funds to the Council.

The Council has established several special revenue funds. The following is a brief description of each special revenue fund's purpose:

Major Special Revenue Funds

The Title III B Fund is used to account for funds, which are used to provide various units of supportive social services to the elderly. GOEA has established the criteria for defining a qualifying unit of service for each Title III program. Specific supportive social services, along with the number of units provided during the fiscal year, are as follows:

	Units
Information and assistance	922
Outreach	280
Homemaker	1,895
Transportation	4,915
Telephoning	1,909
Public education	52
Visiting	974

The Title III C-2 Fund is used to account for funds that are used to provide nutritional meals to the homebound older persons. Using Title III C-2 funds the Council served 50,108 meals during the year to people eligible to participate in this program.

The Title III E funds are provided by the United States Department of Health and Human Services through the Louisiana Governor's Office of Elderly Affairs, which "passes-through" the funds of the Council. The fund is used to account for funds used to provide services, such as; (1) information to caregivers about available services, (2) assistance to caregivers in gaining access to the services, (3) individual counseling, (4) organizational support groups, (5) caregiver training to caregivers in making decisions and solving problems relating to their caregiving roles, (6) respite care to enable caregivers to be temporarily relieved from their caregiving responsibilities, and (7) supplemental services, on a limited basis, to complement the care provided by caregivers. The number of units provided under Title III-E are as follows:

	Units
Information and assistance	45
Outreach	2
In-Home Respite	3,077
Group respite	538
Personal care	1,084

NOTES TO FINANCIAL STATEMENTS

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Mobile Adult Day Care Fund is used to account for the administration of the Alzheimer's Disease Demonstration Grant funds appropriated by the Louisiana Legislature to GOEA, which in turn "passes through" the funds to the Council. The purpose of this program is to provide transportation by the Council for Alzheimer patients for mobile day respite services.

The Retired Senior Volunteer Program (RSVP) Fund is used to account for the federal funds which are provided directly by the Corporation for National and Community Service and state funds which are provided directly by the Louisiana Governor's Office of Elderly Affairs to pay for the expenses incurred by the low-income senior citizens, age 55 and over, who have volunteered their time to assist non-profit and government entities in the parish.

Non-Major Special Revenue Funds

The Title III C-1 Fund is used to account for funds that are used to provide nutritional, congregate meals to the elderly at meal sites located in Opelousas and the surrounding areas. During the year the Council served 23,432 meals to people eligible to participate in this program. In addition to the meals serviced, the Council also provided 48 units of nutritional education to the eligible participants.

The Title III D Fund is used to account for funds used for disease prevention and health promotion activities. During the year 3,283 of wellness service and 120 units of medication management service were provided to eligible participants in this program.

The Senior Center Fund is used to account for the administration of Senior Center program funds appropriated by the Louisiana Legislature to GOEA, which in turn "passes through" the funds to the Council. The purpose of this program is to provide a community service center at which elderly people can receive supportive social services and participate in activities which foster their independence, enhance their dignity, and encourage their involvement in and with the community. The Council operates two service centers.

The Supplemental Senior Center Fund was established to account for funds that were appropriated by the Louisiana Legislature for the various councils on aging throughout Louisiana to supplement each council's primary grant for senior center operations and activities. The Iberia Parish Voluntary Council on Aging, Inc. was one of the parish councils to receive a supplemental grant of \$3,100. The money received by this fund during the year was transferred to the Senior Center Fund to supplement the supportive services provided by these funds. GOEA provided these funds to the Council.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Measurement Focus and Basis of Accounting

Basis of accounting refers to when revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Accrual Basis – Government-Wide Financial Statements (GWFS):

The Statement of Net Assets and the Statement of Activities display information about the Council as a whole. Both of these statements have been prepared using the economic measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Modified Accrual Basis - Fund Financial Statements (FFS):

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., when they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Council considers all revenues "available" if they are collected within 60 days after year-end. Expenditures are generally recorded under the modified accrual basis of accounting when the related liability is incurred. The exceptions to this general rule are that (1) unmatured principal and interest on long-term debt, if any, are recorded when due and (2) claims and judgments and compensated absences are recorded as expenditures when paid with expendable available financial resources.

G. Interfund Activity

Interfund activity is reported as either loans or transfers. Loans between funds are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. All other interfund transactions are treated as transfers. Transfers represent a permanent reallocation of resources between funds. Transfers between funds are netted against one another as part of the reconciliation of the change in fund balances in the fund financial statements to the change in net assets in the Government-Wide Financial Statements.

H. Cash and Cash Equivalents

Cash includes amounts in demand deposits, interest-bearing demand deposits, and petty cash. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Cash and cash equivalents are reported at their carrying amounts that equal their fair values.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Prepaid Expenses/Expenditures

Prepaid expenses include amounts paid for services in advance. These are shown as assets on the Government-Wide Statement of Net Assets.

In the Fund Financial Statements, the Council has elected not to include amounts paid for future services as expenditures until those services are consumed to comply with the cost reimbursement terms of grant agreements. As a result, the prepaid expenditures are shown as an asset on the balance sheet of the Fund Financial Statements until they are consumed. In addition, a corresponding amount of the fund balance of the General Fund has been reserved to reflect the amount of fund balance not currently available for expenditure.

J. Capital Assets

The accounting and reporting treatment applied to the capital assets associated with a fund are determined by its measurement focus. Capital assets are long-lived assets that have been purchased or acquired with an original cost of at least \$1,000 and that have an estimated useful life of greater than one year. When purchased or acquired, these assets are recorded as capital assets in the Government-Wide Statement of Net Assets. In contrast, in the Fund Financial Statements, capital assets are recorded as expenditures of the fund that provided the resources to acquire the asset. If the asset was purchased, it is recorded in the books at its cost. If the asset was donated, then it is recorded at its estimated fair market value at the date of donation.

For capital assets recorded in the Government-Wide Financial Statements, depreciation is computed and recorded using the straight-line method for the asset's estimated useful life. The estimated useful lives of the various classes of depreciable capital assets are as follows:

Equipment	5-7 years
Vehicles	5 years
Computers	3 years

Depreciation is not computed or recorded on capital assets for purposes of the Fund Financial Statements.

K. <u>Unpaid Compensated Absences</u>

The Council's policies for vacation time permit employees to accumulate earned but unused vacation leave. Accordingly, a liability for the unpaid vacation leave has been recorded in the Government-Wide Statements. Management has estimated the current and long-term portions of this liability based on historical trends. The amount accrued as the compensated absence liability was determined using the number of vested vacation hours for each employee multiplied by the employee's wage rate in effect at the end of the year. An amount is added to this total for social security and medicare taxes.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In contrast, the governmental funds in the Fund Financial Statements report only compensated absence liabilities that are payable from expendable available financial resources to the extent that the liabilities mature (or come due for payment). Vacation leave does not come due for payment until an employee makes a request to use it or terminates employment with the Council. Accordingly, no amounts have been accrued as fund liabilities as of year-end in the Fund Financial Statements. The differences in the methods of accruing compensated absences creates a reconciling item between the fund and government-wide financial statement presentations.

The Council's sick leave policy does not provide for the vesting of sick leave thereby requiring the employee to be paid for any unused leave upon termination of employment. Accordingly, no amounts have been accrued as unpaid compensated absences in the Government-Wide Financial Statements relative to sick leave.

L. Allocation of Indirect Expenses

The Council reports all direct expenses by function and programs of functions in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function or program. Indirect expenses are recorded as direct expenses of the Administration function. GOEA provides funds to partially subsidize the Council's Administration function. The unsubsidized net cost of the Administration function is allocated using a formula that is based primarily on the relationship the direct cost a program bears to the direct cost of all programs. There are some programs that cannot absorb any indirect cost allocation according to their grant or contract limitations.

M. Management's Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

N. Elimination and Reclassifications

In the process of aggregating data for the Statement of Net Assets and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 PURPOSE AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. Deferred Revenues

The Council reports deferred revenues on its Statement of Net Assets and on the balance sheet of the Fund Financial Statements. Deferred revenues arise when the Council receives resources before it has a legal claim to them, as when grant monies are received before the occurrence of qualifying expenditures. In subsequent periods, when the Council has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and the revenue is recognized.

NOTE 2 REVENUE RECOGNITION

Revenues are recorded in the Government-Wide Statements when they are earned under the accrual basis of accounting.

Revenues are recorded in the Fund Financial Statements using the modified accrual basis of accounting. In applying the susceptible to accrual concept using this basis of accounting, intergovernmental grant revenues, program service fees, and interest income are usually both measurable and available. However, the timing and amounts of the receipts of public support and miscellaneous revenues are often difficult to measure; therefore, they are recorded as revenue in the period received.

The Older American Act of 1965 title III programs operate under a performance based contract. Title III program revenue is earned by the Council based on the units of service provided within the guidelines of the related program.

NOTE 3 CASH

The Council maintains a consolidated bank account to deposit most of the monies it collects and to pay its bills. The consolidated bank account is available for use by all funds. The purpose of this consolidated account is to reduce administration costs and facilitate cash management. The consolidated account also allows those funds with available cash resources to temporarily cover any negative cash balances in other funds.

At year-end, the carrying amount of the Council's cash balances on the books was \$239,346, whereas the related bank cash balances totaled \$264,552. The difference in the book and bank balances for cash relates primarily to deposits made and checks written which did not clear the bank accounts by year-end. Bank balances of \$140,381 were covered by federal depository insurance and, accordingly, are classified as a "Category 1" credit risk in accordance with GASB Statement 3. The remaining bank balances of \$124,171 are collateralized with securities pledged and are classified as a "Category 3" credit risk in accordance with GASB Statement 3.

NOTES TO FINANCIAL STATEMENTS

NOTE 3 CASH (Continued)

GASB Statement 3 categorizes deposits into three categories of credit risk:

Insured by FDIC or collateralized with securities held by the Council or by its agent in the Council's name. (Category 1)

Uninsured but collateralized with securities held by the pledging financial institution's trust department or agent in the Council's name. (Category 2)

Uninsured and uncollateralized; or collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the Council's name; or collateralized with no written or approved collateral agreement. (Category 3)

Even though the pledged securities are considered uncollateralized (Category 3) under the provisions of GASB Statement 3, Louisiana Revised Statute 39:1229 imposes a legal requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Council that the fiscal agent has failed to pay deposited funds upon demand.

Under state law, all bank deposits must be (1) secured by federal deposit insurance or by the pledge of securities owned by the fiscal agent bank, or (2) invested exclusively in instruments backed by the U.S. government. The fair value of the pledged securities plus the federal deposit insurance must always equal or exceed the amount on deposit with the fiscal agent.

NOTE 4 GOVERNMENT GRANTS AND CONTRACTS RECEIVABLE

Government grants and contracts receivable represent amounts owed to the Council under a grant award or contract with a provider of federal, state, or local funds; such amounts being measurable and available as of year-end.

Program	Fund	Provider	Amount	
Social Services	III B	CAAA	\$ 10,303	
Congregate Meals	III C-1	CAAA	1,757	
Home Delivered Meals	III C-2	CAAA	5,524	
Disease Prevention	III D	CAAA	793	
Caregivers	III E	CAAA	20,588	
Miscellaneous	General	Miscellaneous	1.119	

NOTES TO FINANCIAL STATEMENTS

NOTE 5 CHANGES IN CAPITAL ASSETS

A summary of changes in capital assets is as follows:

	_	Balance 7-01-06	It	icreases	D	ecreases	Balance 6-30-07
Capital Assets		·····					
Funiture & equipment	\$	64,444	\$	11,417	\$	(2,945)	\$ 72,916
Vehicles		75,115	_			<u> </u>	 75,115
Subtotal		139,559		11,417	_	(2,945)	 148,031
Accumulated depreciation							
Furniture & equipment		50,359		4,380		(2,945)	51,794
Vehicles		75,115	_		_	-	 75 <u>,115</u>
Subtotal		125,474	_	4,380	_	(2,945)	 126,909
Net capital assets	\$	14.085	\$	7.037	\$		\$ 21.122

Depreciation totaling \$4,380 was charged to governmental activities as administrative expense.

NOTE 6 BOARD OF DIRECTORS' COMPENSATION

The Board of Directors is a voluntary board; therefore, no compensation has been paid to any member. However, board members are reimbursed for any out-of-pocket costs they might incur on behalf of the Council in accordance with the Council's applicable reimbursement policy.

NOTE 7 INCOME TAX STATUS

The Council, a non-profit corporation, is exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code, and as an organization that is not a private foundation as defined in Section 509(a) of the Code. It is also exempt from Louisiana income tax.

NOTE 9 CHANGES IN LONG-TERM DEBT

The Council had long-term debt relating to compensated absences and a capital lease payable during the ended June 30, 2007. The following is a schedule of the changes in long-term debt for the accrued compensated absences as well as the capital lease payable:

	Balance July 1, 2006		Increases		Decreases		Balance June 30, 2007	
Accrued annual leave	\$	1,051	\$	179	\$	-	\$	1,230
Capital lease payable Total long-term debt	\$	1,310 2,361	\$	179	\$	1,310 1,310	\$	1.230

NOTES TO FINANCIAL STATEMENTS

NOTE 10 CONTINGENCIES-GRANT PROGRAMS

The Council participates in a number of state and federal grant programs, which are governed by various rules and regulations. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the Council has not complied with the rules and regulations governing the grants, refunds of any money received and the collectibility of any related receivable at year-end may be impaired. In management's opinion, there are no significant contingent liabilities relating to compliance with the rules and regulations governing state and federal grants; therefore, no provision has been recorded in the accompanying financial statements for such contingencies. Audits of prior years have not resulted in any significant disallowed costs or refunds. Any costs that would be disallowed would be recognized in the period agreed upon by the grantor agency and the Council.

NOTE 11 ECONOMIC DEPENDENCY

The Council receives the majority of its revenue through grants administered by the Louisiana Governor's Office of Elderly Affairs (GOEA). The grant amounts are appropriated each year by the federal and state governments. If significant budget cuts are made at the federal and/or state level, the amount of funds the Council receives could be reduced significantly and have an adverse impact on its operations. Management is not aware of any actions that will adversely affect the amount of funds the Council will receive in the next fiscal year.

NOTE 12 RISK MANAGEMENT

The Council is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; job related illnesses or injuries to employees; and natural disasters. The Council has purchased commercial insurance to cover or reduce the risk of loss that might arise should one of these incidents occur. There have been no significant reductions in coverage from the prior year. No settlements were made during the current or prior three fiscal years that exceeded the Council's insurance coverage.

The Council's management has not purchased commercial insurance or made provision to cover or reduce the risk of loss, as a result of business interruption and certain acts of God, like floods or earthquakes.

NOTE 13 RELATED PARTY TRANSACTIONS

There were no significant related party transactions during the year.

NOTES TO FINANCIAL STATEMENTS

NOTE 14 INTERFUND TRANSFERS

Interfund transfers to and from are listed by fund for the fiscal year as follows:

		Funds Tran	sferring in:				
•	Title	Title	Title	Title			
	IIIB	III C-1	III C-2	III D			
Funds transferring out:		- "					
General Fund	\$ 7,666	\$ 3,498	\$ 10,844	\$ -			
PCOA	8,762	7,138	6,008	<u> 17</u>			
Total General Fund	<u>16,428</u>	<u>10,636</u>	16,852	17			
Special Revenue Funds: Major Funds:							
Mobile Adult Day Care Non-Major Funds:	-	-	-	-			
Supplemental Senior Center		-	<u>-</u>				
Total Special Revenue Funds		-	-				
Total all funds	<u>\$ 16.428</u>	<u>\$ 10.636</u>	<u>\$ 16.852</u>	<u>s 17</u>			
	Funds transferring in						
	Fun	ds transferring	in:				
	Title	ds transferring Senior	in: General				
				Total			
Funds transferring out:	Title	Senior	General	Total			
Funds transferring out: General Fund	Title	Senior	General	Total \$ 31,590			
	Title III E	Senior Center	General Fund				
General Fund	Title III E	Senior Center	General Fund	\$ 31,590			
General Fund PCOA	Title III E \$ 8,551	Senior Center \$ 1,031 25,000	General Fund	\$ 31,590 46,925			
General Fund PCOA Total General Fund Special Revenue Funds: Major Funds: Mobile Adult Day Care	Title III E \$ 8,551	Senior Center \$ 1,031 25,000	General Fund	\$ 31,590 46,925			
General Fund PCOA Total General Fund Special Revenue Funds: Major Funds: Mobile Adult Day Care Non-Major Funds:	Title III E \$ 8,551	Senior Center \$ 1,031 25,000 26,031	General Fund	\$ 31,590 46,925 78,515			
General Fund PCOA Total General Fund Special Revenue Funds: Major Funds: Mobile Adult Day Care Non-Major Funds: Supplemental Senior Center	Title III E \$ 8,551	\$ 1,031 25,000 26,031	S	\$ 31,590 <u>46,925</u> <u>78,515</u> 5,105 <u>3,100</u>			
General Fund PCOA Total General Fund Special Revenue Funds: Major Funds: Mobile Adult Day Care Non-Major Funds:	Title III E \$ 8,551	Senior Center \$ 1,031 25,000 26,031	General Fund	\$ 31,590 46,925 78,515			

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and to (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

These transfers were eliminated as a part of the consolidation process in preparing the Government-Wide Financial Statements.

NOTES TO FINANCIAL STATEMENTS

NOTE 15 RESERVED FUND BALANCE

The Council receives funding from various utility companies for the restricted purpose of alleviating hardship conditions related to the payment of utility bills for elderly individuals. These funds are accounted for in the Energy Fund (a Special Revenue Fund). Funds available at year-end for this purpose have been reserved accordingly. The following summary outlines the activity by fund source for the year ended June 30, 2007:

_		Balance July 1, 2006		Revenue July 1, 2006 - June 30, 2007		Disbursements July 1, 2006 - June 30, 2007		Balance June 30, 2007	
Entergy Entex	\$	3,989 2	\$	5,696 -	\$	2,602 2	\$	7,083	
Central LA. Electric Co. (LACOA)	<u>s</u>	392 4.383	\$	4,112 9.808	<u>s</u>	4,284 6.888	\$	220 7.303	

The Council has other assets, which are restricted in their application by virtue of the donor's intention or commitments already entered into by the Council. These amounts are also reported as reserved fund balance. Other restricted assets arise because of gifts solicited and collected for the specific facility for the Council. Other assets, like the utility assistance above, are restricted by the terms and nature of the grant. Finally, some assets represent "deposits" pledged to confirm the Council's intentions with respect to certain projects. Related accumulated income is included in some of the restricted balances. Details on the reserved balances are set out below:

Utility Assistance	\$	7,303
Title III E		18,691
Miles for meals		20,396
Prepaid Expenditures	<u></u>	6,583
	\$	52,973

NOTE 16 JUDGMENTS, CLAIMS, AND SIMILAR CONTINGENCIES

There is no litigation pending against the Council as of year-end. The Council's management believes that any potential lawsuits would be adequately covered by insurance or resolved without any material impact upon the Council's financial statements.

NOTE 17 IN-KIND DONATIONS

The Council received various in-kind contributions during the year, which have been valued at their estimated fair market value and presented in this report as revenue. Related expenditures, equal to the in-kind revenues, have also been presented, thereby producing no effect on net income. The Council received additional support through services contributed by volunteers that does not meet the criteria fro recognition under accounting principles generally accepted in the United States of America because the Council would not hire additional paid employees to perform these services if volunteers were not available.

SUPPLEMENTARY INFORMATION REQUIRED BY GASB STATEMENT 34

Budgetary Comparison Schedule General Fund Year Ended June 30, 2007

	Budgeted	d Amounts	Actual Amounts	Variance with Final Budget -	
	Original Final		Budgetary Basis	Positive (Negative)	
Budgetary fund balance, July 1	\$ 231,389	\$ 231,389	\$ 231,389	\$ -	
Resources (inflows):	•		•		
Intergovernmental	21,925	21,925	46,925	25,000	
Local and miscellaneous	70,540	70,540	88,433	17,893	
Transfers in		<u>-</u>	5,105	5,105	
Amounts available for appropriation	323,854	323,854	371,852	47,998	
Charges to appropriations (outflows):			•		
Personnel and fringe	587	587	587	-	
Travel	193	193	112	81	
Operating services	22,878	22,878	8,024	14,854	
Operating supplies	1,993	1,993	506	1,487	
Other costs	16,066	16,066	27,910	(11,844)	
Transfers out	50,748	50,748	78,515	(27,767)	
Debt service -	•	•	•	, ,	
Principal	-	-	1,310	(1,310)	
Interest			176	(176)	
Total charges to appropriations	91,878	91,878	117,140	(25,262)	
Budgetary fund balance, June 30	<u>\$ 231.976</u>	\$ 231.976	\$ 254.712	\$22,736	

Budgetary Comparison Schedule Title III-B Fund Year Ended June 30, 2007

	Budgeted		Actual Amounts	Variance with Final Budget - Positive (Negative)	
	Original	Final	Budgetary Basis		
Budgetary fund balance, July 1	\$ -	\$ -	\$ -	s -	
Resources (inflows):					
Intergovernmental	73,139	73,139	75,078	1,939	
Program income	2,000	2,000	2,473	473	
Transfers in	23,621	23,621	16,428	(7,193)	
Amounts available for appropriation	98,760	98,760	93,979	(4,781)	
Charges to appropriations (outflows):					
Personnel and fringe	63,971	63,971	62,431	1,540	
Travel	5,362	5,362	4,502	860	
Operating services	21,405	21,405	20,533	872	
Operating supplies	6,729	6,729	5,148	1,581	
Capital outlay	1,293	1,293	1,365	(72)	
Transfers out					
Total charges to appropriations	98,760	98,760	93,979	4,781	
Budgetary fund balance, June 30	<u>s </u>	<u>s</u>	<u>s</u>	<u>s</u>	

Budgetary Comparison Schedule Title III C-2 Fund Year Ended June 30, 2007

	Budgete	d Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)	
	Original	Final	Budgetary Basis		
Budgetary fund balance, July 1	\$ 2,900	\$ 2,900	\$ 2,900	\$ -	
Resources (inflows):					
Intergovernmental	69,227	69,227	69,227	-	
Program income	25,000	25,000	29,344	4,344	
Transfers in	<u>27,937</u>	<u>27,937</u>	16,852	(11,085)	
Amounts available for appropriation	<u>125,064</u>	125,064	118,323	(6,741)	
Charges to appropriations (outflows):					
Personnel and fringe	83,545	83,545	82,525	1,020	
Travel	22,701	22,701	21,019	1,682	
Operating services	12,790	12,790	11,714	1,076	
Operating supplies	1,529	1,529	1,377	152	
Capital outlay	<u> </u>	1,599	1,688	(89)	
Total charges to appropriations	<u> 122,164</u>	122,164	118,323	3,841	
Budgetary fund balance, June 30	\$ 2.900	\$ 2.900	<u>s</u>	\$ (2.900)	

Budgetary Comparison Schedule Title III-E Fund Year Ended June 30, 2007

	Budgete	d Amounts	Actual Amounts	Variance with Final Budget -		
Budgetary fund balance, July 1	Original	Final	Budgetary Basis	Positive (Negative)		
	\$ -	\$ -	\$ -	\$ -		
Resources (inflows):						
Intergovernmental	90,339	90,339	85,756	(4,583)		
Program income	23,295	23,295	14,603	(8,692)		
Transfers in	303	303	8,551	8,248		
Amounts available for appropriation	113,937	113,937	108,910	(5,027)		
Charges to appropriations (outflows):						
Personnel and fringe	92,766	92,766	89,870	2,896		
Travel	973	973	401	572		
Operating services	17,180	17,180	16,232	948		
Operating supplies	1,526	1,526	833	693		
Capital outlay	1, 492	1.492	1,574	(82)		
Total charges to appropriations	113,937	113,937	108,910	5,027		
Budgetary fund balance, June 30	<u>s -</u>	<u>s -</u>	<u>s</u>	<u> -</u>		

Budgetary Comparison Schedule Mobile Adult Day Care Fund Year Ended June 30, 2007

	Budgeted	Amounts	Actual Amounts	Variance with Final Budget - Positive (Negative)	
Budgetary fund balance, July 1	Original	Final	Budgetary Basis		
	\$ -	\$ -	\$ -	\$ -	
Resources (inflows):					
Intergovernmental	80,740	80,740	80,740	-	
Program income	•	=	12,102	12,102	
Transfers in	<u>6,889</u>	6,889	-	(6,889)	
Amounts available for appropriation	<u>87,629</u>	<u>87,629</u>	92,842	5,213	
Charges to appropriations (outflows):					
Personnel and fringe	49,384	49,384	49,671	(287)	
Fringe	4,090	4,090	3,921	169	
Travel	888	888	<i>7</i> 71	117	
Operating services	9,486	9,486	9,031	455	
Operating supplies	7,524	7,524	11,369	(3,845)	
Other costs	10,974	10,974	7,933	3,041	
Capital outlay	5,283	5,283	5,041	242	
Transfer out	_	<u> </u>	5,105	(5,105)	
Total charges to appropriations	87,629	87,629	92,842	(5,213)	
Budgetary fund balance, June 30	<u>s</u>	<u>s</u>	<u>s</u>	<u>s</u>	

Budgetary Comparison Schedule RSVP Fund Year Ended June 30, 2007

	Budgeted	Amounts	Actual Amounts	Variance with Final Budget -	
	Original	Final	Budgetary Basis	Positive (Negative)	
Budgetary fund balance, July 1	\$ 6,791	\$ 6,791	\$ 6,791	\$ -	
Resources (inflows):					
Intergovernmental	61,301	61,301	56,425	(4,876)	
Local and miscellaneous	-	-	4,554	4,554	
In - kind	5,436	<u>5,436</u>	5,436		
Amounts available for appropriation	73,528	<u>73,528</u>	73,206	(322)	
Charges to appropriations (outflows):					
Personnel and fringe	43,871	43,871	51,414	(7,543)	
Fringe	3,633	3,633	3,852	(219)	
Travel	51 9	519	4,228	(3,709)	
Operating services	8,932	8,932	2,477	6,455	
Other costs	4,346	4,346	48	4,298	
In - kind	5,436	5,436	5,436		
Total charges to appropriations	66,737	66,737	67,455	(718)	
Budgetary fund balance, June 30	<u>\$6.791</u>	\$ 6.791	<u>\$ 5.751</u>	\$ (1.040)	

SUPPLEMENTARY FINANCIAL INFORMATION REQUIRED BY GOEA

Schedule of Non-Major Funds Year Ended June 30, 2007

REVENUES	Title III C-1	Title III D	Senior Center	Supplemental Senior Center	Total
Intergovernmental: Governor's Office of Elderly Affairs Cajun Area Agency on Aging, Inc.	\$ - 20,842	\$ - 4,806	\$ 63,010 -	\$ 3,100	\$ 66,110 25,648
Program	22,139			-	22,139
Total Revenues	42,981	4,806	63,010	3,100	113,897
EXPENDITURES					
Current:		•			
Personnel	36,531	3,895	44,202	•	84,628
Fringe	2,909	307	3,492	-	6,708
Travel	907	10	404	-	1,321
Operating Services	11,310	512	33,458	-	45,280
Operating Supplies	1,064	31	9,080	-	10,175
Other Costs	138	-	582	-	720
Capital Outlay	758	68	923		1.749
Total Expenditures	53,617	4,823	92,141		<u>150,581</u>
Excess (deficiency) of revenues over expenditures	(10.636)	(17)	(29,131)	3,100	(36,684)
OTHER FINANCING SOURCES (USES)					
Transfers in	10,636	17	29,131	_	39,784
Transfers out				(3,100)	(3,100)
Total other financing sources and uses	10,636	17	<u>29,131</u>	(3,100)	36,684
Net increase in fund balances	-	-	-	-	-
FUND BALANCES					
Beginning of the year					•
End of the year	<u>s</u>	<u>s</u>	<u>s</u>	<u>\$</u>	<u>s</u>

Comparative Schedule of General Fixed Assets And Changes In General Fixed Assets Year Ended June 30, 2007

		Balance June 30, 2006	A	dditions	De	eletions		Balance June 30, 2007
General fixed assets:								
Furniture and fixtures	\$	64,444	\$	11,417	\$	2,945	\$	72,916
Vehicles		75,115	_	<u>-</u>			_	75,11 <u>5</u>
Total general fixed assets	<u>\$</u>	139.559	<u>s</u>	11.417	<u>s</u>	2.945	\$_	148.031
Investment in general fixed assets:								
Property acquired with funds from -								
Title III B	\$	1,195	\$	1,363	\$	1,195		1,363
Title III C-1		-		757		_		757
Title III C-2		-		1,693		-		1,693
Senior Center		1,047		922		-		1,969
Local		70,309		5,361		_		75,670
Title III D		5,245		68		1,750		3,563
Title III E		· _		1,253		ĺ		1,253
Section 5310		61,763					_	61,763
Total investment in general fixed assets	<u>\$</u>	139.559	\$	11.417	<u>\$</u>	2.945	<u>s</u>	148.031



Darnall, Sikes, Gardes Frederick.

(A Corporation of Certified Public Accountants)

Independent Auditor's Report on Internal Control
Over Financial Reporting and on Compliance and
Other Matters Based on an Audit of
Financial Statements Performed in
Accordance with Government Auditing Standards

The Board of Directors
Iberia Parish Voluntary Council on Aging, Inc.
Abbeville, Louisiana

E. Larry Sikes, CPA/PFS, CVA, CFP™ Danny P. Frederick, CPA Clayton E. Darnall, CPA, CVA Eugene H. Darnall, III, CPA Stephanie M. Higginbotham, CPA John P. Armato, CPA J. Stephen Gardes, CPA, CVA Jennifer S. Ziegler, CPA/PFS, CFPTM Chris A. Miller, CPA, CVA Stephen R. Dischler, MBA, CPA Steven G. Moosa, CPA M. Rebecca Gardes, CPA Pamela Mayeux Bonin, CPA, CVA Joan B. Moody, CPA Erich G. Loewer, III, CPA, M.S. TAX Lauren F, Hebert, CPA Berbara Ann Watts, CPA

> Kathleen T. Damall, CPA Barbara A. Clark, CPA Michelle B. Hanks, CPA Jeremy C. Meaux, CPA Kevin S. Young, CPA Barbara Ann Watts, CPA Adam J. Curry, CPA Chad M. Bailey, CPA Carol C. Guillory, CPA Christy S. Dew, CPA Emily J. LeBoeuf, CPA Rachel W. Ashford, CPA Dustin R. Buck, CPA Veronica LeBleu, CPA Jacob C. Roberie, CPA Tara E. LeBoeuf, CPA

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Iberia Parish Voluntary Council on Aging, Inc. as of and for the year ended June 30, 2007, which collectively comprise the Iberia Parish Voluntary Council on Aging, Inc.'s basic financial statements and have issued our report thereon dated October 19, 2007. We have conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Iberia Parish Voluntary Council no Aging, Inc.'s internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Iberia Parish Voluntary Council on Aging, Inc.'s internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Iberia Parish Voluntary Council on Aging, Inc.'s internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a deficiency, or combination of control deficiencies, that adversely affects Iberia Parish Voluntary Council on Aging, Inc.'s ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of Iberia Parish Voluntary Council on Aging, Inc.'s financial statements that is more than inconsequential will not be prevented or detected by Iberia Parish Voluntary Council on Aging, Inc.'s internal control.

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A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by Iberia Parish Voluntary Council on Aging, Inc.'s internal control.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in the internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Iberia Parish Voluntary Council on Aging, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance that are required to be reported under *Government Auditing Standards* and is disclosed in the accompanying schedule of findings and questioned costs as item 07-1.

Iberia Parish Voluntary Council on Aging, Inc.'s response to the findings identified in our audit is described in the accompanying management's corrective action plan. We did not audit Iberia Parish Voluntary Council on Aging, Inc.'s response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the board of directors, management, others within the organization and is not intended to be and should not be used by anyone other than those specified parties. However, Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Darnall, Sikes, Gardes & Trederick

A Corporation of Certified Public Accountants

Lafayette, Louisiana October 19, 2007

Schedule of Findings and Questioned Costs Year Ended June 30, 2007

Part I Summary of Auditor's Results

FINANCIAL STATEMENTS

Auditor's Report - Financial Statements

An unqualified opinion has been issued on Iberia Parish Voluntary Council on Aging, Inc.'s financial statements as of and for the year ended June 30, 2007.

Significant Deficiencies - Financial Reporting

No significant deficiencies in internal control over financial reporting were disclosed during the audit of the financial statements.

Material Noncompliance - Financial Reporting

There was one material instances of noncompliance noted during the audit and is listed as 07-1 in Part II.

FEDERAL AWARDS

This section is not applicable for the fiscal year ended June 30, 2007.

Part II Findings Relating to an Audit in Accordance with Government Auditing Standards

07-1 Budget Variance

Finding:

In accordance with the Council's budget policy, the general fund budget should be amended when actual costs exceed the budgeted amount by more than ten percent.

Recommendation:

The Council should monitor expenditures for each fund and amend the budget when actual expenditures exceed budgeted amounts by more than ten percent.

Part III Findings and Questioned Costs Relating to Federal Programs

At June 30, 2007, the Iberia Parish Voluntary Council on Aging, Inc. did not meet the requirements to have a single audit in accordance with OMB Circular A-133, therefore this section is not applicable.

Part IV Management Letter

The auditor did not issue a management letter this year.

Summary Schedule of Prior Audit Findings Year Ended June 30, 2007

This section is not applicable for the fiscal year ended June 30, 2007.

Management's Corrective Action Plan Year Ended June 30, 2007

Response to Findings:

07-1 Budget Variance

Due to the timing of an additional \$25,000 grant received from GOEA at year-end, the Council was unable to properly amend the budget prior to the end of the fiscal year. In the future, the Council will make every attempt to properly amend the budget whenever actual expenditures exceed the budget amounts by more than ten percent.